(a) whether perturbed by the deepening slowdown he has convened a meeting of leaders of three key industries viz. auto, cement and construction—along with the heads of financial institutions in the month of September, 2001 to thrash out a revival plan;

(b) if so, what were the main points discussed in the meeting;

(c) whether any final decision for revival plan for core sector has been reached; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) Yes Sir, the Finance Minister held a meeting with leaders of three key industries viz. auto, cement and construction—along with the heads of financial institutions on 7th September 2001.

The objective of the meeting was to jointly discuss with the industry representatives the problems and prospects of these industries in the current year.

(b) The main points dicussed in the meeting include issues relating to export finance for automobiles, finance for purchases of commercial vehicle, Diesel and Petrol and pricing after dismantling of the Aministered Pricing Mechanism for petroleum products, off-setting state levies in Value Added Tax, concessional interest rates for rural housing, proactive steps by housing finance companies to generate demand for rural housing, reduction of stamp duty, construction of cement roads, implementation of the Model Rent Control Act by states, abolition of the Urban Land Ceiling Act, to permit External Commercial Borrowing in housing and repeal of provisions of the Income Tax Act which provide for pre-emptive purchase of property.

(c) and (d) Suggestions made by various industry associations and experts are kept in view by the government for formulation of appropriate economic policies from time to time.

Interest rate on fixed deposits

237. SHRI A. VIJAYA RAGHAVAN: Will the Minister of FINANCE be pleased to state:

(a) whether Government have taken any decision to start the systems of variable interest rates on the interest of the fixed deposits;

(b) if so, the details thereof;

(c) whether RBI has given any such instructions;

(d) if so, the details thereof; and

(e) the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL.): (a) to (e) Reserve Bank of India has deregulated the interest rates on fixed deposits and these are determined by Banks themselves. Effective April 29, 1998, commercial banks have also been permitted to offer, at their discretion, varying rates of interest for the same maturity on domestic term deposits of Rs. 15 lakh and above. Banks have, however, to disclose in advance the schedule of interest rates payable on deposits including deposits on which varying interest rates will be paid. Interest rates paid by a bank should be as per the scheduled and should not be subject to negotiation between the depositor and the bank.

Strain on fiscal situation

238. SHRI P. PRABHAKAR REDDY: Will the Minister of FINANCE be leased to state:

(a) whether it is a fact that fiscal situation is under considerable strain presenting a disconcerting picture;

(b) if so, the details thereof and the reasons therefor; and

(c) what steps are proposed to be taken to ensure that the economic situation does not worsen further?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) As per the Controller General of Accounts, the trends in Central Government finances during the current year for the period April-September 2001 compared with similar period during the previous year is as follows:

(Rs. crore)

	April-September 2000-01	April-September 2001-02
Revenue Receipts	82898	79203
Total expenditure	130115	145037
Non-Plan expenditure	94408	107152
Revenue deficit	26306	43615
Fiscal deficit	42592	5726

(c) The Government is conscious of the need for better fiscal management to contain non-plan revenue expenditure and increase revenue receipts. With aview to achieve fiscal consolidation, the Budget for 2001-02 emphasises expenditure management through the process of bringing about structural